AMENDMENTS TO THE SPECIFICATION

Please replace the paragraph no. 3 with the following amended paragraph:

In MPEG-2 pictures, there are three kinds of pictures, I-pictures, B-pictures and P-pictures. In MC of a B-picture, there is forward MC, backward MC and interpolative MC. There are various methods for determining an MC mode for MC of an ~~I-picture~~ B-picture. The most general method involves comparing sum of absolute difference (SAD) values obtained from motion estimation (ME) of each mode.

Please replace the paragraph no. 59 with the following amended paragraph:

The present invention may be embodied in a general-purpose computer by running a program from a computer readable medium, including but not limited to storage media such as magnetic storage media (ROMs, RAMs, floppy disks, magnetic tapes, etc.), and optically readable media (CD-ROMs, DVDs, etc.)~~, and carrier waves (transmission over the Internet)~~. The present invention may be embodied as a computer readable medium having a computer readable program code unit embodied therein for causing a number of computer systems connected via a network to effect distributed processing.